

MEMORANDUM OF UNDERSTANDING
BETWEEN
METRO-NORTH COMMUTER RAILROAD
And
BROTHERHOOD OF LOCOMOTIVE ENGINEERS

The parties hereby agree to the following amendments and changes to the Collective Bargaining Agreement for the period January 1, 1999, through December 31, 2002.

This Memorandum of Understanding is subject to ratification by the membership of the Brotherhood of Locomotive Engineers (BLE) and final approval by the Metropolitan Transportation Authority Board of Directors.

THIS AGREEMENT is made this 1st day of January, 1999, by and between the Metro-North Commuter Railroad ("Metro-North") and the employees represented by the Brotherhood of Locomotive Engineers ("BLE").

ARTICLE I – GENERAL WAGE INCREASES

SECTION 1 – FIRST GENERAL WAGE INCREASE

Effective January 1, 1999, all rates of pay irrespective of the method of payment (hourly, daily, etc.), in effect on December 31, 1998 shall be increased by two (2) percent.

SECTION 2 – SECOND GENERAL WAGE INCREASE

Effective January 1, 2000, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 1999 shall be increased by three (3) percent.

SECTION 3 – THIRD GENERAL WAGE INCREASE

Effective January 1, 2001, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 2000 shall be increased by three (3) percent.

SECTION 4 – FOURTH GENERAL WAGE INCREASE

Effective January 1, 2002, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 2001 shall be increased by three (3) percent.

SECTION 5 – ELIGIBILITY FOR WAGE INCREASES

The January 1, 1999 retroactive payment shall be granted only to current employees for service performed in 1999, and on a prorated basis for employees who, during 1999: 1) retired; 2) died; 3) resigned while having a vested right

**ARTICLE VI- HEALTH INSURANCE OPT-OUT
INCENTIVE PROGRAM**

Metro-North will offer participation in the Opt-Out Incentive Program, commencing April 1, 1999, to eligible employees on the same terms and conditions as offered to non-represented employees. However, eligible employees will receive seventy-five (75) percent of the current incentive payment.

Thereafter, participation in the Opt-Out Incentive program shall be offered on the same terms and conditions as it is provided to non-represented employees, as it may be amended, to active employees covered by this agreement.

ARTICLE VII- DENTAL BENEFITS

Effective January 1, 2001, Metro-North shall provide to active members dental benefits at the same level of benefit as provided to non-represented active Metro-North employees.

Should the active non-represented employee benefit levels or coverage for dental benefits substantially change in the future, either Metro-North or the BLE may re-open negotiations on the impact of that change. If the parties cannot mutually agree to resolve the dispute within ninety (90) days, the issue of the mitigation of the impact of the substantial change will be submitted to binding arbitration.

ARTICLE VII - HEARING AIDS

As soon as practicable Metro-North shall provide to all active members hearing aid coverage.

IN WITNESS WHEREOF the parties hereto sign this Agreement at New York, New York the day and year first above written.

**FOR THE BROTHERHOOD
LOCOMOTIVE
ENGINEERS**

**FOR METRO-NORTH OF
COMMUTER
RAILROAD**

/s/MICHAEL F. DOYLE
General Chairman

/s/RAYMOND BURNEY
Director, Labor Relations

January 15, 1999

Mr. Michael Doyle
General Chairman – BLE
R.R. #3
Skeet Club Road
Durham, CT 06422

**Re: Movement of Equipment in Metro-North's Shops
and Yards**

Dear Sir:

In order to resolve the multitude of outstanding issues and to clearly define the parameters of permissible equipment moves and equipment moves that may generate a valid time claim or arbitrary payment, the following is hereby agreed to:

1. Intermediate Drop Off and Pick Up of Equipment

Metro-North may assign Engineers on a deadhead equipment move to pick up and/or drop off additional cars at intermediate locations without any additional payment. These moves will not require switching but will require the coupling or uncoupling of the equipment on the same track.

2. North White Plains, Brewster and Stamford
Maintenance Facilities

At the Stamford Maintenance Facility, the North White Plains Maintenance Facility and the Brewster Maintenance Facility, Metro-North may use Engineers in Passenger Service to bring equipment to the repair facility, move equipment in or out of the repair facility

Movement of Equipment.....

Mr. Michael Doyle

January 15, 1999

Page 3

This Agreement regarding the use of Trackmobiles will not be used to reduce the number of regularly assigned switch crews currently working on Metro-North.

For Metro-North:

For BLE:

/s/Raymond Burney
Director - Labor Relations

/s/Michael Doyle
General Chairman – BLE

assignment due to a known vacancy. He is entitled to a Rule 14 emergency payment of two (2) hours at time and one half in addition to any continuous time payments he may be eligible for if he works beyond eight (8) hours.

- b) An engineer completes his bulletined assignment and has worked at least eight (8) hours. He is assigned to perform work that is not part of his bulletined assignment due to an unknown vacancy. He is entitled to a Rule 14 emergency payment of two (2) hours at time and one half in addition to any continuous overtime he may earn.
- c) An engineer completes his bulletined assignment and has worked at least eight (8) hours. He is assigned to perform work that is not part of his bulletined assignment due to a known vacancy. He is entitled to be paid for a second tour of duty.

An unknown vacancy is defined as a vacancy that the Carrier has less than three (3) hours notice to fill. For the purposes of this Agreement, the Engineer completes his bulletined assignment when his last train arrives at his final off duty location.

- 4) Engineers in non-passenger assignments who are pressed into revenue service because of an emergency are entitled to a 14(b) payment.

These changes do not circumvent the Rules governing extra list calling procedures.

For Metro-North:

For BLE:

/s/Raymond Burney
Director - Labor Relations

/s/Michael Doyle
General Chairman - BLE

REVISED 1/14/99

However, if that engineer is required to go to Crestwood (a recognized turnaround point) he will be entitled to Rule 14(b) compensation.

Question #3. If I am required to make additional station stops or my assigned train designation is changed enroute, but the scheduled route of my train does not change, am I entitled to compensation under Rule 14(b)?

Answer #3. No.

Question #4. If I am required to do yard switching with the cars of my inbound consist in order to yard my train am I entitled to compensation under Rule 14(b)?

Answer #4. No.

Question #5. If I am required to do yard switching on other than my inbound consist, in an emergency situation as defined by the Agreement, am I entitled to compensation under Rule 14(b)?

Answer #5. Yes. However, it is understood that at the Stamford Maintenance Facility, the North White Plains Maintenance Facility and the Brewster Maintenance Facility, Metro-North may use Passenger Engineers to bring equipment to the repair facility, move equipment in or out of the repair facility and to move equipment released by the repair facility workforce for the purpose of adding the equipment to any outbound consist.

Passenger employees used in this capacity will receive an arbitrary payment of one (1) hour's pay at the time and one half rate for up to one (1) hour of work.

Question #6. If I am required to operate a train, in an emergency situation as defined by the Agreement, which would return me to my off-duty location prior to my

January 15, 1999

Mr. Michael Doyle
General Chairman - BLE
R.R. #3
Skeet Club Road
Durham, CT 06422

**Re: Operation of Burro Crane by the Maintenance of
Way Department**

Dear Sir:

This will confirm Metro-North's long standing practice and your concurrence that the operation of a Burro Crane (or other similar on-track equipment) by an employee in the Maintenance of Way Department with a single car attached is not a violation of any provision of the Metro-North/BLE Collective Bargaining Agreement.

Any claim or grievance currently on file will be withdrawn by the BLE and the Metro-North file will be closed out.

Very truly yours,

/s/Raymond Burney
Director - Labor Relations

I CONCUR:

/s/Michael Doyle, BLE General Chairman

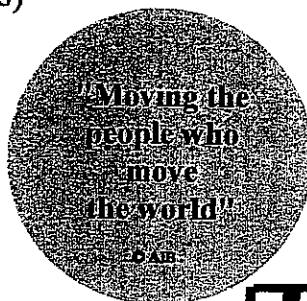
NEWS BY THE ACRE

A Publication for the Members of the Association of Commuter Rail Employees

Collective Bargaining

Under the Railway Labor Act (RLA), labor contracts remain in effect until they are amended by the mutual consent of both labor and management. As most of you are already aware, the four year agreement that was negotiated to cover the round of bargaining that began on January 1, 2003 becomes eligible for amending on December 31, 2006. Either party that wishes to make amendments to the existing contract must follow the procedures spelled out in the RLA. The first step in the process of amending an agreement begins with the serving of notices under section six of the RLA. For our purposes, these notices are requests for specific changes to the current agreement ACRE has with MTA/Metro-North. ACRE began this process with the serving of section six notices on September 13, 2006. (See page two for ACRE's common issues served as general section six notices)

**The Railway
Labor Act.
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The Railway Labor Act

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Self Help

This next step is self explanatory. "Self help" offers both sides the opportunity to do what they feel necessary to advance their cause. Labor has the right to withhold its services in the form of a legal strike while management could implement any of the contract terms contained in any of their previous proposals.

Even though the RLA was a positive step for labor, it is not without its flaws. It often breeds frustration for those who are anxious to achieve quick results. However, in achieving its mandate to prevent interruptions in interstate commerce it has been a smashing success. Since 1926, of 176 major disputes that have led to the creation of Presidential Emergency Boards only 36 have led to work stoppages. While not perfect, it still offers mechanisms for dispute resolution that protects the interests of management and the rights of labor.

For more information on the Railway Labor Act see ACRE's Q & A at <http://www.goacre.org/> or at the National Mediation Board's website <http://www.nmb.gov/> •

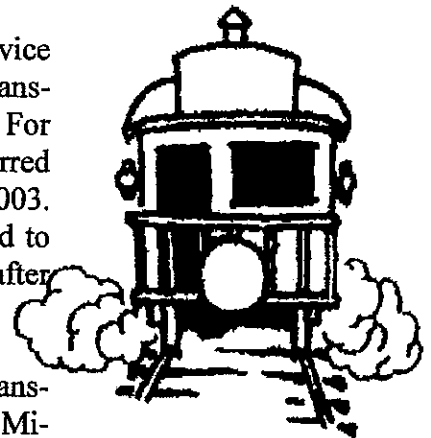
Progression rates of pay for craft transfers resolved by General Committee

For many years payroll took the position anyone who transferred into train service from another craft established a new anniversary date for purposes of establishing pay increases under rule 3. For example: if an employee hired out as a coach cleaner in September of 2003 and transferred into train service in May 2005, the company would use the train service date of May for future pay increases under Rule 3. This on most occasions kept employees in the progression rate longer than the intended period of five years.

As a result of ongoing discussions with labor relations it was agreed that;

If you worked for Metro-North in another craft, and transferred into train service at less than 100%, your next pay increase under the progression rate (after transfer) should take place based on your initial date of hire with Metro-North. For example: if you hired out in another craft during September 2003, and transferred into train service in May 2005, your anniversary date remains September, 2003. Therefore, on the date you transfer, May 2005 your pay rate will be adjusted to reflect the train service rate, then in September and every September thereafter your rate will be increased in accordance with Rule 3.

This is a major improvement over the prior interpretation for craft transfers. General Chairman Bottalico thanks ACRE Division 9 General Chairman Michael Doyle, and all ACRE local chairmen for their due diligence in resolving this issue for all our craft transfers. If you are a craft transfer and need help with this issue please call your local chairman, at the union office, 212-599-5856. •



BOARD OF APPEALS HEARING
ACRE LOCAL DIVISION 9

COPY

420 Lexington Avenue
June 12, 2007
11:13 a.m.

BEFORE:

JOHN McBRIDE, Chairman
GLENN SCANLON
STEVE ZUMPANO
TOM POTTHAST
RAMON FIGUEROA, Alternate

PRESENT:

PETER J. KROL
KENNY DIBBLE
MICHAEL KOLOGY
JOHN CRUISE, JR.
JOE LINDENBERG
MIKE DOYLE, General Chairman
MIKE EIRICH
JOHN POTTHAST
TOM COOPER

1 PROCEEDINGS

2 MR. T. POTTHAST: I have a
3 June 5th, that's the only one I have.

4 MR. T. POTTHAST: None of us have
5 it. We have a June 5th.

6 CHAIRMAN McBRIDE: The hour's up,
7 so we're going to take ten minutes.

8 (Recess taken.)

9 CHAIRMAN McBRIDE: It's 12:23.
10 We're going to start off with the General Chair
11 Mike Doyle. He's going to have rebuttal, then
12 he'll state his case.

13 MR. DOYLE: Good afternoon. Let me
14 go through to the best of my recollection
15 everything that's transpired here. I'll try to
16 make it as short and sweet as possible.

17 When I first became the general
18 chairman, prior to my becoming the general
19 chairman in 1992 the Brotherhood of Locomotive
20 Engineers who at that time represented the
21 Collective Bargaining Agreement in a collective
22 bargaining round in exchange for a 3 percent
23 contribution into a Vanguard account had an
24 agreement that people entering engine service
25 will start at 70 percent rate of engineer's pay.

1 PROCEEDINGS

2 Under the entry rates they would progress from
3 after 12 months of service from 70 percent to
4 75, after another 12 months of service to 80,
5 after another 12 months of service to 85, after
6 another 12 months of service to 90, and after
7 another 12 months of service to 100.

8 That was done somewhere around
9 1988, if memory serves me correct. I became the
10 General Chairman of the Brotherhood of
11 Locomotive Engineers of Metro North in 1992.
12 Subsequent to me becoming the general chairman,
13 I attended employee forums around the property
14 that were conducted by Donald Nelson, former
15 president of Metro North.

16 At a number of those forums, myself
17 in addition to many other employees spoke up
18 about the fact that many people who sought
19 promotion were in essence being afforded
20 promotion into a new craft, but their pay was
21 being reduced because in their former craft,
22 their rate of pay was greater than, in the case
23 of engineers, the 70 percent rate of engineers
24 pay. Those meetings had an impact upon former
25 President Nelson because he contacted labor

1 PROCEEDINGS

2 relations and instructed labor relations to try
3 to work out some remedy to this issue with the
4 union.

5 So on September 13th, 1993, which I
6 hope you have a copy of this correspondence --

7 CHAIRMAN McBRIDE: September 15th.
8 Okay, okay, it was human resources stamped
9 the 15th.

10 MR. DOYLE: I wrote a letter to
11 Raymond Burney with an attached copy of an
12 August 30th, 1993 letter to me. And in that
13 letter it basically, without going through the
14 whole thing, it afforded people the right that
15 their seniority would be protected in the event
16 that in a change of craft transfer they failed
17 to complete the training program, they could
18 revert back into their craft with their
19 seniority unimpaired.

20 It also afforded people an
21 opportunity that when they went into engine
22 service, in our particular case, that they would
23 not lose pay. If their rate of pay at the time
24 or at any time was less than 70 percent, they
25 would come in at the 70 percent rate of pay. If

1 PROCEEDINGS

2 their rate of pay fell between 70 percent and 75
3 percent, they would come in at 75 percent. They
4 will not have a financial loss by being promoted
5 into the craft of engineers.

6 So I signed an agreement that was
7 in effect from September 15th, 1993 until May
8 of -- I'm sorry, until 2004. Over the course of
9 those intervening years, between September of
10 1993 and 2004, on occasion we would have a
11 transferee who was coming into engine service,
12 they would come into engine service, let's just
13 say hypothetically the engine service class was
14 starting on June 1st. You would have somebody
15 who was coming into engine service and they
16 would be coming in at 70 percent let's say. But
17 on June 5th, in their former craft, they were
18 scheduled for a step rate increase.

19 So on an individual basis, myself
20 and Anthony Bottalico, the general chairman of
21 the conductors, would go to labor relations and
22 we would say --

23 CHAIRMAN McBRIDE: Did you say
24 individual? On an individual basis?

25 MR. DOYLE: On an individual basis.

1 PROCEEDINGS

2 We would go to labor relations, and Chino may be
3 familiar with this because he used to be in the
4 training center so he was probably up there when
5 we used to talk to some of the classes, we would
6 say to labor relations, look, this guy was due
7 for a step rate increase in his former craft in
8 four days, five days, a week, however long. If
9 he had gotten that step rate increase that he
10 was waiting almost 12 months to receive, he
11 would have gotten himself above the 70 percent
12 engineer's rate. And therefore, he would have
13 started at 75 percent. Because he didn't get
14 that step rate increase, you might only be
15 bumping him up a nickel or a quarter or 50
16 cents. But if it had been five days later when
17 he transferred, he would have already been up
18 above the 70 percent, he would have been bumped
19 up to 75 percent. That was a big difference.

20 So on an individual basis, in each
21 class during those -- I don't know if we started
22 in '93, but sometime prior to 2004, we would go
23 in and we would handle those people on an
24 individual basis.

25 In 2004, sometime, if memory serves



August 30, 1993

Mr. Michael F. Doyle
General Chairman - BLE
R. R. 3
Skeet Club Road
Durham, CT 06422

Dear Sir:

Metro-North, in its continuing effort to establish and maintain a positive and progressive work environment, is interested in modifying the collective bargaining agreement provisions that limit an employee's ability to take advantage of potential advancement opportunities. Our approximately 4,900 employees hold a variety of different positions that vary significantly in scope of responsibility and rate of pay. During the numerous forums and discussions that have been held throughout our property over the past few years, it has become evident that our employees perceive numerous impediments in the current craft transfer process. Metro-North employees have continually requested that the craft transfer process be amended to remove the seniority and wage restrictions that currently exist.

Therefore, in the best interest of Metro-North, our employees, and the Labor Organizations that represent them, and in order to provide an employment atmosphere more conducive to advancement, Metro-North proposes that all collective bargaining agreement provisions, past practices and policies that apply to craft transfers be modified by the following provisions:

1. Limited Seniority Protection

All employees who apply for internal craft transfer and are accepted as final candidates by Metro-North for vacancies in a new craft shall have their originating craft seniority protected in the following manner:

- A) Employees who are accepted by Metro-North to transfer to a different craft shall have their originating craft seniority protected for the entire length of the training period in their new craft. Additionally, these employees shall have their originating craft seniority protected for a

Members of the Board	Peter E. Stangl Chairman and Chief Executive Officer	Lillian H. Affinito Bernard B. Beal E. Virgil Conway	Barbara J. Fife Sally Hernandez-Pinero Herbert J. Libert	Lucius J. Riccio Joan Spence Edward A. Vrooman	Donald N. Nelson President
	Daniel T. Scannell First Vice Chairman	Warren S. Dolny Barry L. Feinstein	Prema Mathai-Davis Neil Novesky	Alfred E. Werner	

30 day probationary/qualifying period. This probationary/qualifying period shall begin when the employee is deemed fully qualified by Metro-North and is assigned to a regular (or extra) position in their new craft.

- B) During either the training period or the probationary/qualifying period, the employee may not voluntarily elect to return to his/her originating craft. However, should it become evident that the employee will not successfully complete the training program, or will not qualify for the new craft position, the employee may return to his/her former craft.
- C) Employees who do not successfully complete training or fail to qualify for the new craft position shall return to their originating craft with their full seniority intact. However, for the initial flow back to the originating craft, the employee will be required to return to either 1) any vacancy or 2) exercise seniority over the most junior person at the facility, location or headquarters. Thereafter, the returning employee will enjoy the full exercise of seniority.

2. Wage Rate

The wage rate of all employees who are accepted as final candidates by Metro-North for vacancies in a new craft shall have their new wage rate determined by the following parameters:

- A) The employee's hourly rate of pay and the current percentage step rate in the originating craft position shall be the factors that determine the employees' hourly rate of pay in his/her new position. The employees' rate of pay in the new position will be the hourly step rate of pay of the new position that most closely approximates the hourly step rate of pay of the originating position.


Example: An employee currently holding a coach cleaner position at the 100% rate of pay, (\$15.02/hr) is accepted to transfer to a shop craft electrician position. This employee's new rate of pay as an electrician will be \$15.21/hr (85% step rate).

- B) If the employee is transferring to a position with a higher hourly rate of pay, and his/her current position hourly rate of pay falls between the step

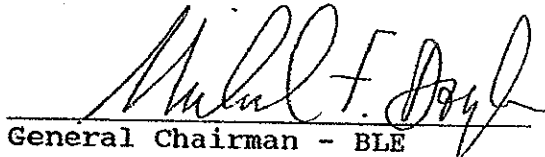
rates of the new position, the employee will receive the higher step rate in the position. If the employee is transferring to a position with a lower hourly rate of pay, the maximum hourly rate of pay the employee will receive in the new position is the 100% rate.

If you are in agreement with implementing these changes, please indicate your agreement by signing below. Metro-North requests that your response be returned promptly so that these changes can be implemented by October 1, 1993.

Very truly yours,


Raymond Burney
Director - Labor Relations

I Agree:


General Chairman - BLE

cc: All General Chairmen

0070-RB.ko



November 5, 1993

Mr. Mike Doyle
General Chairman - BLE
R.R. #3
Skeet Club Road
Durham, CT 06422

Re: Craft Transfer Agreement

Dear Mr. Doyle:

This is in response to your letter of October 20, 1993, regarding the rate of pay for employees transferring from a position represented by the UTU to an Engineer Trainee position.

I refer you to the letter agreement dated August 30, 1993, signed by yourself. This letter specifically says in Section 2, Para. a, that the basis for determining the step rate to which the employee moves is the hourly rate of pay of the position the employee currently holds. Therefore, if at the time of transfer, an employee is working as a Trainman, it is the hourly rate of pay this employee receives as a Trainman that determines the most appropriate step rate in the wage progression for his/her Engineer Trainee position. This is true even if the employee is a qualified conductor.

The intent of this agreement is to allow employees to transfer to other positions without suffering a loss in their hourly compensation. Your suggestion to credit the employee with the highest rate they were technically qualified for provides a windfall for the employee who by his/her own choice in the exercise of seniority does not hold the highest position for which they are qualified.

I trust that this explanation clarifies the intent of the agreement and I will therefore consider this matter closed.

Very truly yours,

Raymond Burney
Director - Labor Relations

Members of the Board

0195-RB.jc

Peter E. Stangl
Chairman and
Chief Executive Officer
Daniel T. Scannell
First Vice Chairman

Lilyan H. Affinito
Bernard B. Beal
E. Virgil Conway
Warren S. Dolny
Barry L. Feinstein

Barbara J. File
Sally Hernandez-Pinero
Herbert J. Libert
Prema Mathai-Davis
Neil Novesky

Lucius J. Riccio
Joan Spence
Edward A. Vrooman
Alfred E. Werner

Donald N. Nelson
President

Memorandum



Metro-North Railroad

Date February 21, 1995

To Harry Franz

From Ray Burney *RB*

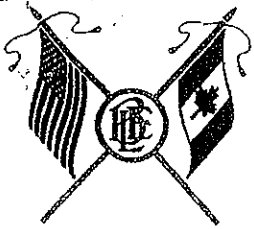
Re BLE Craft Transfers

During the most recent round of negotiations, the BLE raised an issue regarding the application of the wage progression protection Metro-North agreed to with various crafts in 1993. Specifically, the question was raised regarding two former train service employees, Steven Donnelly ((111440) and Robert Butcher (111159) who were qualified conductors but were working as assistant conductors just prior to transferring into the apprentice engineer program. Having transferred as a conductor would have raised them 5% in determining the closest wage step in the BLE Agreement.

We have agreed with the BLE that the two individuals will have their wage step modified, effective the day after full and final ratification of the BLE agreement (January 27, 1995). No retroactive adjustment before that date is allowed.

This resolution is not precedent setting but as a practical matter, most qualified conductors in the future will likely hold such assignments prior to transferring to engineer training to avoid this pitfall.

Please notify my department after the adjustment is made in these two cases.



Brotherhood of Locomotive Engineers

GENERAL COMMITTEE OF ADJUSTMENT
METRO-NORTH COMMUTER RAILROAD
114R Skeet Club Road, Durham, CT 06422

AJK
RMP

MICHAEL F. DOYLE
General Chairman
Phone: 203/349-1884
Fax: 203/349-1168

CERTIFIED MAIL NO. Z 028 932 876

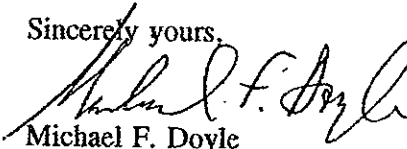
September 13, 1993

Mr. Raymond Burney
Director of Labor Relations
Metro-North Commuter Railroad
347 Madison Avenue
New York, NY 10017

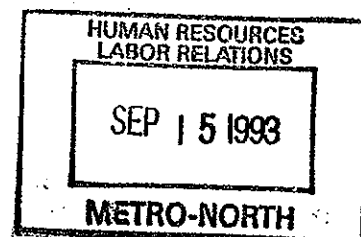
Dear Mr. Burney,

Enclosed is a signed copy of the correspondence related to "limited seniority protection" and "wage rates" for Metro-North employees transferring from one position to another. It is understood that this agreement is an addition to any other protection we currently enjoy. If you do not concur with this please notify me in writing. If you do not respond before October 1, 1993, we will accept that this understanding does not abrogate any other agreements relating to transferring into the craft of Locomotive Engineers.

Sincerely yours,


Michael F. Doyle
General Chairman

cc: Richard Engel - Vice General Chairman
Ronald DeAndrus - Local Chairman, Div. 77
Michael Lynch - Local Chairman, Div. 145
Edward Marcink - Local Chairman, Div. 589
John Sullivan - Local Chairman, Div. 783



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